

Rosen, Kantrow & Dillon, PLLC
Proposed Counsel to Debtor in Possession
38 New Street
Huntington, New York 11743
631 423 8527
Avrum J. Rosen

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

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In re:

Chapter 11

BROOKFIT VENTURES LLC,
a/k/a BROOK FIT VENTURES LLC,
d/b/a RETRO FITNESS,

Case No.: 18-

Debtor.

-----X

AFFIDAVIT PURSUANT TO LOCAL RULE 1007

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

DAVID RAGOSA, being duly sworn, deposes and states as follows:

1. I am the Managing Member of Brookfit Ventures LLC, a/k/a Brook Fit Ventures LLC, d/b/a Retro Fitness, debtor ("Debtor") in this Chapter 11 case, and as such I have personal knowledge of the statements contained herein.

2. The Debtor is a North Carolina limited liability company, with its corporate office located at 1330 Saint Mary's Street, Suite 300, Raleigh, North Carolina 27605. Its retail store is located at 203 Berry Street, Brooklyn, New York 11249. The Debtor operates as a membership gym.

3. Debtor filed a voluntary chapter 11 petition with this Court on or about October 30, 2018.

4. Debtor's financial difficulties arose as a result of a combination of factors. On or about June 27, 2018, the Debtor's landlord, LNA Realty Holdings LLC commenced a nonpayment proceeding seeking to obtain a warrant of eviction forcing the Debtor from its location. The

landlord has alleged that the Debtor is in default in the approximate amount of \$231,000. In addition, the debt owed to the secured creditors has been difficult to manage. The Debtor also fell behind on the payment of its sales tax obligations to New York.

5. The Debtor has been actively marketing its business. Because of the significant build-out expenses associated with a gym, the Debtor believes that it will be able to find a buyer that would be interested in buying the gym as an ongoing, turnkey operation. The Debtor believes that its commercial lease has significant value. That, coupled with the Retro Fitness franchise agreement, have allowed the Debtor to conclude that it should be able to market and sell the business and make a significant distribution to its creditors.

6. This case was originally commenced under Chapter 11 of Title 11 of the United States Bankruptcy Code and no Trustee has been appointed. There has been no pre-petition creditors' committee. Annexed hereto as Exhibit "A" is a list of the 20 largest unsecured claims excluding insiders, including the name, address and the amount of the claim, and an indication of whether such claims are contingent, unliquidated, disputed or partially secured. Annexed hereto as Exhibit "B" is a list of the secured creditors.

7. The Debtor's assets consist of its gym equipment, franchise agreement and commercial lease. At this time, the Debtor has not yet determined the value of its assets. The Debtor's total liabilities at this point are approximately \$700,000.

8. There are no stocks, debentures, or other securities of Debtor that are publicly held. Eddins Investments LLC holds a 20% membership interest in the Debtor. Fitness DJ Brooklyn, LLC holds a 20% membership interest in the Debtor. Bella and Bianca II, LLC, holds a 20% membership interest in the Debtor. Greg J. Kinlaw holds a 20% membership interest in the Debtor. Fili Group LLC holds a 20% membership interest in the Debtor.

9. At the present time, there is no property in the possession of any custodian, public officer, mortgagee, pledgee, assignee of rents, or secured creditor, or agents of any such entity.

10. The Debtor's assets are located in Brooklyn, New York. Currently, its books and records are located at its facility in Brooklyn, New York. The Debtor does not have any assets outside the territorial limits of the United States.

11. David Ragosa is the Managing Member of the Debtor and has been the primary responsible party since the formation of the Debtor in or about 2011.

12. The estimated amount of the bi-monthly payroll to employees is approximately \$36,000, inclusive of taxes. In the immediate past, David Ragosa has not received a salary from the Debtor. As he will be the primary person in charge of the Debtor's day-to-day operations, he anticipates that he will receive a salary in the amount of \$1,250 on a bi-monthly basis.

13. It is estimated that the expenses for the 30-day period following the bankruptcy petition will be approximately \$150,000 and that receipts will be approximately \$135,000.

S/David Ragosa
David Ragosa
Managing Member

Sworn to before me this
30th day of October, 2018

RICHARD DELVALLE
Notary Public State of New York
No. 02DE6004969
Comm. Exp. 4/20/22

Fill in this information to identify the case:

Debtor name **Brookfit Ventures LLC**
 United States Bankruptcy Court for the: **EASTERN DISTRICT OF NEW YORK**
 Case number (if known): _____

☐ Check if this is an
 amended filing

Official Form 204

Chapter 11 or Chapter 9 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders

12/15

A list of creditors holding the 20 largest unsecured claims must be filed in a Chapter 11 or Chapter 9 case. Include claims which the debtor disputes. Do not include claims by any person or entity who is an insider, as defined in 11 U.S.C. § 101(31). Also, do not include claims by secured creditors, unless the unsecured claim resulting from inadequate collateral value places the creditor among the holders of the 20 largest unsecured claims.

Name of creditor and complete mailing address, including zip code	Name, telephone number and email address of creditor contact	Nature of claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
ABC Financial Revenue Now 8320 Highway 107 Sherwood, AR 72120				\$126,262.80	\$0.00	\$126,262.80
Broadcast Music Inc 10 Music Square East Nashville, TN 37203		Trade debt				\$1,058.59
Con Edison PO Box 1702 New York, NY		Utility				\$7,971.62
East Coast Air Design 140 16 Keyland Ct Bohemia, NY 11716		Trade debt				\$4,049.00
Hanover Insurance PO Box 580045 Charlotte, NC 28258		Insurance Premium				\$3,032.94
LNA Realty Holdings LLC 1120 Avenue of the Americ 4th Floor New York, NY 10036		Alleged Unpaid Rent	Contingent Unliquidated Disputed Subject to Setoff			\$231,188.98
MAM Mechanical 3811 Ditmars Blvd Astoria, NY 11105		Trade debt				\$6,521.60
New York State Department WA Harriman Campus Albany, NY 12227-0841		Sales Tax				\$70,844.76
NYB Distributors 270 K Duffy Ave Hicksville, NY 11801		Trade debt				\$3,231.47

Debtor **Brookfit Ventures LLC**
Name

Case number (if known)

Name of creditor and complete mailing address, including zip code	Name, telephone number and email address of creditor contact	Nature of claim (for example, trade debts, bank loans, professional services,	Indicate if claim is contingent, unliquidated, or disputed	Amount of claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
Paramount Paper 8 timber Lane Marlboro, NJ 07746		Trade debt				\$9,000.00
Philadelphia Insurance PO Box 70251 Newark, DE 19716		Insurance Premiums				\$2,056.00
Prime Service Group 840 McDonald Ave Brooklyn, NY 11218		Trade debt				\$1,524.00
Rosen & Federico CPA 135 Crossways Park Dr Brooklyn, NY 11218		Professional Fees				\$6,000.00
Siegel & Reiner 130 E 59th Street New York, NY 10022		Legal Services				\$11,416.66
Source 4 100 Lackawanna Ave Parsippany, NJ 07054		Trade debt				\$3,552.78
Tesco Fire 12305 101st Ave South Richmond Hill, NY 11419		Trade debt				\$3,984.01
Vayner Media 10 Hudson Yards New York, NY 10001		Trade debt				\$1,000.00
Verizon PO Box 25214 Albany, NY 12212		Utility				\$929.23
Waymark Elevator 10568 Avenue L Brooklyn, NY 11236		Trade debt				\$2,000.00
West Star Capital LLC 892 Hicksville Rd Massapequa, NY 11758				\$154,665.00	\$0.00	\$154,665.00

Fill in this information to identify the case:

Debtor name Brookfit Ventures LLCUnited States Bankruptcy Court for the: EASTERN DISTRICT OF NEW YORK

Case number (if known) _____

☐ Check if this is an amended filing

Official Form 206D

Schedule D: Creditors Who Have Claims Secured by Property

12/15

Be as complete and accurate as possible.

1. Do any creditors have claims secured by debtor's property?

☐ No. Check this box and submit page 1 of this form to the court with debtor's other schedules. Debtor has nothing else to report on this form.☒ Yes. Fill in all of the information below.

Part 1: List Creditors Who Have Secured Claims

2. List in alphabetical order all creditors who have secured claims. If a creditor has more than one secured claim, list the creditor separately for each claim.

Column A

Amount of claim

Do not deduct the value of collateral.

Column B

Value of collateral that supports this claim

2.1 ABC Financial Revenue
Now

Creditor's Name

8320 Highway 107
Sherwood, AR 72120

Creditor's mailing address

Creditor's email address, if known

Date debt was incurred

Last 4 digits of account number

Do multiple creditors have an interest in the same property?

☒ No☐ Yes. Specify each creditor, including this creditor and its relative priority.

Describe debtor's property that is subject to a lien

\$126,262.80

\$0.00

Describe the lien

UCC

Is the creditor an insider or related party?

☒ No☐ Yes

Is anyone else liable on this claim?

☒ No☐ Yes. Fill out *Schedule H: Codebtors* (Official Form 206H)

As of the petition filing date, the claim is:

Check all that apply

☐ Contingent☐ Unliquidated☐ Disputed

2.2 West Star Capital LLC

Creditor's Name

892 Hicksville Rd
Massapequa, NY 11758

Creditor's mailing address

Creditor's email address, if known

Date debt was incurred

Last 4 digits of account number

Do multiple creditors have an interest in the same property?

Describe debtor's property that is subject to a lien

\$154,665.00

\$0.00

Describe the lien

UCC

Is the creditor an insider or related party?

☒ No☐ Yes

Is anyone else liable on this claim?

☒ No☐ Yes. Fill out *Schedule H: Codebtors* (Official Form 206H)

As of the petition filing date, the claim is:

Check all that apply

Debtor **Brookfit Ventures LLC**

Case number (if know)

Name

☒ No☐ Yes. Specify each creditor,
including this creditor and its relative
priority.☐ Contingent☐ Unliquidated☐ Disputed

3. Total of the dollar amounts from Part 1, Column A, including the amounts from the Additional Page, if any.

\$280,927.80**Part 2: List Others to Be Notified for a Debt Already Listed in Part 1**

List in alphabetical order any others who must be notified for a debt already listed in Part 1. Examples of entities that may be listed are collection agencies, assignees of claims listed above, and attorneys for secured creditors.

If no others need to be notified for the debts listed in Part 1, do not fill out or submit this page. If additional pages are needed, copy this page.

Name and address

On which line in Part 1 did
you enter the related creditor?Last 4 digits of
account number for
this entitySterling National Bank
21 Scarsdale Road
Tuckahoe, NY 10707Line 2.2

4001